

What's In It For Me?

How Health Insurance Reform Makes Medicare Better

Health insurance reform will build on and improve the promise Medicare made to you: **stable, quality care you can count on.**

- You will get more benefits. You will get better benefits:
 - An end to the “donut hole” for prescription drug coverage, which can cut your drug costs in half or more.
 - Free preventive care so you spend less out-of-pocket on co-pays.
 - More affordable premiums for more seniors, thanks to a two-year freeze on premiums.
- You will continue to see the doctors you need to see when you need to see them. The quality of your care will improve.
 - More time with primary care doctors who'll get to know you well, ensure you're on the right medications and get you the tests and specialty care you need.
 - Peace of mind that doctors will continue to care for Medicare patients because of better payments for quality care and an end to drastic cuts in fees.
 - Special help in rural areas so you

Background Information

Filling the donut hole

The “donut hole” refers to the gap in Medicare coverage for beneficiaries whose annual prescription drug costs fall between \$3,000 and \$6,000. The House bill would completely eliminate the donut hole by 2023, while an agreement between the White House and the pharmaceutical industry would result in prices being cut in half for donut hole drug expenses.

Freeze on Medicare Part B premiums

Current law caps Medicare part B premium increases for most beneficiaries to a rate that is no higher than the annual cost-of-living adjustment (COLA) for Social Security. This cap prevents beneficiaries from seeing a drop in their social security checks due to an increase in Part B premiums, which most seniors have withheld from their check. The Trustees for the Social Security and Medicare trust funds project a 0% COLA for the next two years—which accordingly means a 0% increase in Medicare Part B premiums for qualifying seniors.

Physician fees

The reimbursements received by doctors under Medicare will fall by 21.5 percent next year unless Congress acts. The House bill would avert this cut and reform the physician payment mechanism in Medicare (known as the sustainable growth rate), in part by rewarding primary care services, care coordination and efficiency.

Rural health

The House bill will expand patient and doctor access to telehealth for rural areas, prevent sudden cuts in hospital payments from changes in adjustments for geographic area and increase fees for rural doctors.

Medicare financing

As a result of the various reforms proposed in the bill, the House bill will extend the life of the Medicare trust fund for five years past its currently projected insolvency date of 2017. Thus, the trust fund will be solvent through 2022.